

## CROP REVENUE COVERAGE INSURANCE POLICY WHEAT CROP PROVISIONS

If a conflict exists among the policy provisions, the order of priority is as follows: (1) The Special Provisions; (2) the Commodity Exchange Endorsement; (3) these Crop Provisions; and (4) the Basic Provisions, with (1) controlling (2), etc.

### 1. Definitions

**Adequate Stand** - A population of live plants per unit of acreage which will produce at least the yield used to establish your Final Guarantee.

**Average Daily Settlement Price** - Refer to the definition contained in the Commodity Exchange Endorsement.

**Harvest** - Combining or threshing the insured crop for grain or cutting for hay or silage on any acreage. A crop which is swathed prior to combining is not considered harvested.

**Initially planted** - The first occurrence of planting the insured crop on insurable acreage for the crop year.

**Khorasan** - The common name for a variety of wheat (Triticum turanicum) that is marketed under trademarks such as Kamut. Khorasan is considered to be spring wheat for the purposes of this policy.

**Latest final planting date** -

- (a) The final planting date for spring-planted acreage in all counties for which the Special Provisions designate a final planting date for spring-planted acreage only;
- (b) The final planting date for fall-planted acreage in all counties for which the Special Provisions designate a final planting date for fall-planted acreage only; or
- (c) The final planting date for spring-planted acreage in all counties for which the Special Provisions designate final planting dates for both spring-planted and fall-planted acreage.

**Local market price** - The cash grain price per bushel for the applicable quality level indicated below and offered by buyers in the area in which you normally market the insured crop. The local market price will reflect the maximum limits of quality deficiencies allowable for the applicable quality level indicated below. Factors not associated with the specified quality levels, including but not limited to protein, oil or moisture content, or milling quality will not be considered.

- (a) U.S. No. 2 for Wheat (subclass hard amber durum for durum wheat and subclass northern spring for hard red spring wheat), except Khorasan.
- (b) The quality factor levels required for durum wheat to grade U.S. No. 2 for Khorasan.

**Nurse crop (companion crop)** - A crop planted into the same acreage as another crop, that is intended to be harvested separately, and which is planted to improve growing conditions for the crop with which it is grown.

**Planted acreage** - In addition to the definition contained in the Basic Provisions, land on which seed is initially spread onto the soil surface by any method and subsequently is mechanically incorporated into the soil in a timely manner and at the proper depth, will be considered planted.

**Prevented planting** - In lieu of the definition contained in

the Basic Provisions, failure to plant the insured crop with proper equipment by the latest final planting date designated in the Special Provisions for the insured crop in the county. You may also be eligible for a prevented planting payment if you failed to plant the insured crop with the proper equipment within the applicable late planting period following the latest final planting date. You must have been prevented from planting the insured crop due to an insured cause of loss that is general in the surrounding area and that prevents other producers from planting acreage with similar characteristics.

**Prevented planting guarantee** - The Prevented Planting Guarantee for such acreage will be that percentage of the Final Guarantee for timely planted acres as set forth in section 13(b).

**Sales closing date** - In lieu of the definitions contained in the Basic Provisions, a date contained in the Special Provisions by which an application must be filed and by which you may change your crop insurance coverage for a crop year. If the Special Provisions provide a sales closing date for both winter and spring types of the insured crop and you plant any insurable acreage of the winter type, you may not change your crop insurance coverage after the sales closing date for the winter type.

**Swathed** - Severance of the stem and grain head from the ground without removal of the seed from the head and placing into a windrow.

**Wheat** - Wheat for grain **only**, including only common wheat (Triticum aestivum), club wheat (T. compactum), durum wheat (T. durum) and Khorasan (T. turanicum).

### 2. Unit Division

In addition to the requirements of section 2(b) of the Basic Provisions, in addition to, or instead of, establishing optional units by section, section equivalent or FSA farm serial number and by irrigated and non-irrigated practices, optional units may be established if each optional unit contains only initially planted winter wheat, only initially planted spring wheat, only initially planted club wheat or only initially planted durum wheat. Separate optional units for initially planted winter wheat and initially planted spring wheat may be established only in counties having both winter and spring type final planting dates as designated in the Special Provisions. A separate optional unit for club wheat may be established only in counties for which the Special Provisions designate club wheat as a wheat type (separate optional units may be established for initially planted winter club wheat and initially planted spring club wheat if the Special Provisions specify both as wheat types). A separate optional unit for durum wheat may be established only in counties for which the Special Provisions designate durum wheat as a separate wheat type (separate optional units may be established for

initially planted winter durum wheat and initially planted spring durum wheat if the Special Provisions specify both as wheat types).

**3. Coverage Level**

In addition to the requirements of section 4 of the Basic Provisions all the insurable acreage of wheat in the county insured as grain under this policy will have the same coverage level. In counties with both fall and spring sales closing dates for wheat, you may change your coverage level until the spring sales closing date only if you do not have any insured fall-planted acreage of wheat.

**4. Contract Changes**

In accordance with section 5 in the Basic Provisions, the contract change date is November 30 preceding the cancellation date for counties with a March 15 cancellation date and June 30 preceding the cancellation date for all other counties.

**5. Cancellation and Termination Dates**

The cancellation and termination dates are:

<u>State and County</u>	<u>Cancellation Date</u>	<u>Termination Date</u>
All Colorado counties except Alamosa, Archuleta, Conejos, Costilla, Custer, Delta, Dolores, Eagle, Garfield, Grand, La Plata, Mesa, Moffat, Montezuma, Montrose, Ouray, Pitkin, Rio Blanco, Rio Grande, Routt, Saguache, and San Miguel; all Iowa counties except Plymouth, Cherokee, Buena Vista, Pocahontas, Humbolt, Wright, Franklin, Butler, Black Hawk, Buchanan, Delaware, Dubuque and all Iowa counties north thereof; all Wisconsin counties except Buffalo, Trempealeau, Jackson, Wood, Portage, Waupaca, Outagamie, Brown, Kewaunee and all Wisconsin counties north thereof; and all other states except Alaska, Arizona, California, Connecticut, Idaho, Maine, Massachusetts, Minnesota, Montana, Nevada, New Hampshire, New York, North Dakota, Oregon, Rhode Island, South Dakota, Utah, Vermont, Washington, and Wyoming.	September 30	September 30
Del Norte, Humboldt, Lassen, Modoc, Plumas, Shasta, Siskiyou and Trinity counties, California; Archuleta, Custer, Delta, Dolores, Eagle, Garfield, Grand, La Plata, Mesa, Moffat, Montezuma, Montrose, Ouray, Pitkin, Rio Blanco, Routt, and San Miguel counties, Colorado; Connecticut; Idaho; Plymouth, Cherokee, Buena Vista, Pocahontas, Humboldt, Wright, Franklin, Butler, Black Hawk, Buchanan, Delaware, and Dubuque counties, Iowa, and all Iowa counties north thereof; Massachusetts; all Montana counties except Daniels and Sheridan; New York; Oregon; Rhode Island; all South Dakota counties except Corson, Walworth, Edmonds, Faulk, Spink, Beadle, Kingsbury, Miner, McCook, Turner, Yankton and all South Dakota counties north and east thereof; Washington; Buffalo, Trempealeau, Jackson, Wood, Portage, Waupaca, Outagamie, Brown and Kewaunee counties, Wisconsin, and all Wisconsin counties north thereof; and all Wyoming counties except Big Horn, Fremont, Hot Springs, Park, and Washakie.	September 30	November 30
Arizona; all California counties except Del Norte, Humboldt, Lassen, Modoc, Plumas, Shasta, Siskiyou and Trinity; Nevada; and Utah.	October 31	November 30
Alaska; Alamosa, Conejos, Costilla, Rio Grande, and Saguache counties, Colorado; Maine; Minnesota; Daniels, and Sheridan counties, Montana; New Hampshire; North Dakota; Corson, Walworth, Edmonds, Faulk, Spink, Beadle, Kingsbury, Miner, McCook, Turner, and Yankton counties, South Dakota, and all South Dakota counties north and east thereof; Vermont; and Big Horn, Fremont, Hot Springs, Park, and Washakie counties, Wyoming.	March 15	March 15

**6. Insured Crop**

(a) In accordance with section 9 of the Basic Provisions, the crop insured will be wheat you elect to insure, that is grown in the county on insurable acreage, and for which premium rates are provided by the actuarial documents (or by written agreement):

- (1) In which you have a share;
- (2) That is planted for harvest as grain;
- (3) That is not:
  - (i) Interplanted with another crop;
  - (ii) Planted into an established grass or legume; or
  - (iii) Planted as a nurse crop, unless planted as a nurse crop for new forage seeding, but only if seeded at a normal rate and intended for harvest as grain.

(b) If you anticipate destroying any acreage prior to harvest you:

- (1) May report all planted acreage when you report your acreage for the crop year and specify any acreage to be destroyed as uninsurable acreage (By doing so, no coverage will be considered to have attached on the specified acreage and no premium will be due for such acreage. If you do not destroy such acreage, you will be subject to the under-reporting provisions contained in section 7 of the Basic Provisions); or
- (2) May report all planted acreage as insurable when you report your acreage for the crop year. Premium will be due on all the acreage except as set forth herein. If the Special Provisions allow a reduced premium amount for acreage intentionally destroyed prior to harvest, you may qualify for such reduction only if you notify us in writing on or before the date designated in the Special Provisions of the intended destruction, and do not claim an indemnity on the acreage. No premium reduction will be allowed if the required notice is not given or if you claim an indemnity for the acreage. Upon receiving timely notice, insurance coverage on the acreage you do not intend to harvest will cease and we will revise your acreage report to indicate the applicable reduction in premium. If you do not destroy the crop as intended, you will be subject to the under-reporting provisions contained in Section 7 of the Basic Provisions.

(c) In counties for which the actuarial table provides premium rates for the Winter Coverage Endorsement, additional coverage is available for wheat damaged between the time coverage begins and the spring final planting date. Coverage under the endorsement is effective only if you qualify under the terms of the endorsement and you execute the endorsement by the sales closing date.

**7. Insurance Period**

In lieu of the requirements under section 12 of the Basic Provisions, and subject to any provisions provided by the Winter Coverage Endorsement if you have elected such

endorsement, the insurance period is as follows:

- (a) Insurance attaches on each unit or part thereof on the later of the date we accept your application or the date the insured crop is planted subject to the following limitations:
- (1) The acreage must be planted on or before the final planting date designated in the Special Provisions for the type (winter or spring) except as allowed in section 12 of these Crop Provisions and section 17 of the Basic Provisions.
  - (2) Whenever the Special Provisions designate only a fall final planting date, any acreage of winter wheat damaged before such final planting date, to the extent that producers in the area would normally not further care for the crop, must be replanted to a winter type of the insured crop unless we agree that replanting is not practical.
  - (3) Whenever the Special Provisions designate both fall and spring final planting dates, winter wheat that is damaged before the spring final planting date, to the extent that growers in the area would normally not further care for the crop, must be replanted to a winter type of the insured crop to maintain insurance based on the winter type unless we agree that replanting is not practical. If it is not practical to replant to the winter type of wheat but is practical to replant to a spring type, you must replant to a spring type to keep your insurance based on the winter type in force. Any winter wheat acreage that is replanted to spring wheat when it was practical to replant the winter type will be insured as the spring type and the premium and Final Guarantee applicable to the spring type will be used. In this case, the acreage will be considered to be initially planted to the spring type. If you have elected coverage under the Winter Coverage Endorsement (if available in the county), insurance will be in accordance with the option.
  - (4) Whenever the Special Provisions designate only a spring final planting date:
    - (i) Any acreage of spring wheat damaged before such final planting date, to the extent that producers in the area would normally not further care for the crop, must be replanted to a spring type of the insured crop unless we agree that replanting is not practical; and
    - (ii) Whenever the Special Provisions designate only a spring final planting date, any acreage of fall-planted wheat is not insured unless you request such coverage on or before the spring sales closing date, and we agree in writing that the acreage has an adequate stand in the spring to produce the yield used to determine your Final Guarantee. The fall-planted wheat will be insured as a spring type for the purpose of the Final Guarantee and premium. Insurance will attach to such acreage on the date we determine an

adequate stand exists or on the spring final planting date if we do not determine adequacy of the stand by the spring final planting date. Any acreage of such fall-planted wheat that is damaged after it is accepted for insurance but before the spring final planting date, to the extent that producers in the area would normally not further care for the wheat, must be replanted to spring wheat unless we agree it is not practical to replant. If fall-planted acreage is not to be insured it must be recorded on the acreage report as uninsured fall-planted acreage.

- (b) Insurance ends on each unit at the earliest of:
- (1) Total destruction of the insured crop on the unit;
  - (2) Harvest of the unit;
  - (3) Final adjustment of a loss on the unit;
  - (4) The following applicable date of the calendar year in which the crop is normally harvested:
    - (i) September 25 following planting in Alaska;
    - (ii) July 31 in Alabama, Arizona, Arkansas, Connecticut, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, New Jersey, North Carolina, South Carolina and Tennessee; or
    - (iii) October 31 in all other states; or
  - (5) Abandonment of the crop on the unit.

## **8. Causes of Loss**

In accordance with the provisions of section 13 of the Basic Provisions insurance is provided only against an unavoidable loss of revenue due to the following causes of loss which occur within the insurance period:

- (a) Adverse weather conditions;
- (b) Fire;
- (c) Insects, but not damage due to insufficient or improper application of pest control measures;
- (d) Plant disease, but not damage due to insufficient or improper application of disease control measures;
- (e) Wildlife;
- (f) Earthquake;
- (g) Volcanic eruption;
- (h) Failure of the irrigation water supply, if due to a cause of loss contained in sections 8(a) through (g) occurring within the insurance period; or
- (i) A Harvest Price that is less than the Base Price.

## **9. Replanting Payments**

- (a) A replant payment is allowed as follows:
- (1) In lieu of provisions in section 14 of the Basic Provisions that limit the amount of a replant payment to the actual cost of replanting, the amount of any replanting payment will be determined in accordance with these crop provisions;
  - (2) You must comply with all requirements regarding replanting payments contained in section 14 of the Basic Provisions (except as allowed in these crop provisions in section 9(a)(1)) and the Winter Coverage Endorsement for which you are eligible

and which you have elected;

- (3) The wheat must be damaged by an insurable cause of loss to the extent that the remaining stand will not produce at least 90 percent of the Minimum Guarantee for the acreage;
  - (4) The acreage must have been initially planted to a spring type wheat in those counties with only a spring final planting date;
  - (5) Damage must occur after the fall final planting date in those counties where **both** a fall and spring final planting date are designated (If the Special Provisions provide more than one fall final planting date, the fall final planting date applicable to policies with the Winter Coverage Endorsement will be used for this purpose, regardless of whether or not the endorsement is actually in effect); and
  - (6) The replanted wheat must be seeded at a rate sufficient to achieve a total (undamaged and new seeding) plant population that will produce at least the yield used to determine your Minimum Guarantee.
- (b) No replanting payment will be made for acreage initially planted to winter wheat in any county for which the Special Provisions contain only a fall final planting date (including final planting dates in December, January and February).
  - (c) The maximum amount of the replanting payment per acre will be the lesser of 20.0 percent of the Minimum Guarantee or 4 bushels, times the Base Price times your share.
  - (d) When wheat is replanted using a practice that is uninsurable as an original planting, the liability on the unit will be reduced by the amount of the replanting payment. The premium amount will not be reduced.
  - (e) Replanting payments will be calculated using the Minimum Guarantee for the winter or spring wheat that is replanted and insured. A revised acreage report will be required to reflect the replanted type. Notwithstanding the previous two sentences, the following will have a replanting payment based on the Minimum Guarantee for the winter or spring wheat initially planted:
    - (1) Any damaged winter wheat that is replanted to spring wheat, but that retains insurance based on the winter wheat Minimum Guarantee; and
    - (2) Any acreage replanted at a reduced seeding rate into a partially damaged stand of wheat.

#### 10. Duties in the Event of Damage or Loss

In addition to your duties under section 15 of the Basic Provisions, if you initially discover damage to the insured crop within 15 days of, or during harvest, you must leave representative samples of the unharvested crop for our inspection. The samples must be at least 10 feet wide and the entire length of each field in the unit, and must not be harvested or destroyed until the earlier of our inspection or 15 days after harvest of the balance of the unit is completed.

#### 11. Settlement of Claim

- (a) We will determine your loss on a unit basis. In the event you are unable to provide separate acceptable production records:
  - (1) For any optional unit, we will combine all optional units for which such production records were not provided; or
  - (2) For any basic unit, we will allocate any commingled production to such units in proportion to our liability on the harvested acreage for each unit.
- (b) In the event of loss or damage covered by this policy, we will settle your claim on any insured basic or optional unit of wheat by:
  - (1) Multiplying the insured acreage of the crop by the Final Guarantee;
  - (2) Subtracting the Calculated Revenue from the result of section 11(b)(1); and
  - (3) Multiplying the result of section 11(b)(2) by your share.

If the result of section 11(b)(3) is greater than zero, an indemnity will be paid. If the result of section 11(b)(3) is less than zero, no indemnity will be due.
- (c) In the event of loss or damage covered by this policy, we will settle your claim on any insured enterprise unit by:
  - (1) Multiplying the insured acreage of the crop by the Final Guarantee for each basic unit or optional unit within the enterprise unit;
  - (2) For each basic unit or optional unit in section 11(c)(1), compute the Calculated Revenue;
  - (3) Subtract each result in section 11(c)(2) from the respective result of section 11(c)(1); and
  - (4) Multiplying each result of section 11(c)(3) by your share; and
  - (5) Total the results of section 11(c)(4).

If the result of section 11(c)(5) is greater than zero, an indemnity will be paid. If the result of section 11(c)(5) is less than zero, no indemnity will be due.
- (d) The total production (bushels) to count from all insurable acreage on the unit will include:
  - (1) All appraised production as follows:
    - (i) Not less than that amount of production that when multiplied by the Harvest Price equals the Final Guarantee for acreage:
      - (A) Which is abandoned;
      - (B) Put to another use without our consent;
      - (C) Damaged solely by uninsured causes; or
      - (D) For which you fail to provide records of production that are acceptable to us;
    - (ii) Production lost due to uninsured causes;
    - (iii) Unharvested production (mature un-harvested production may be adjusted for quality deficiencies and excess moisture in accordance with section 11(e)); and
    - (iv) Potential production on insured acreage you intend to put to another use or abandon, if you and we agree on the appraised amount of production. Upon such agreement, the

insurance period for that acreage will end when you put the acreage to another use or abandon the crop. If agreement on the appraised amount of production is not reached:

(A) If you do not elect to continue to care for the crop, we may give you consent to put the acreage to another use if you agree to leave intact, and provide sufficient care for, representative samples of the crop in locations acceptable to us (The amount of production to count for such acreage will be based on the harvested production or appraisals from the samples at the time harvest should have occurred. If you do not leave the required samples intact, or you fail to provide sufficient care for the samples, our appraisal made prior to giving you consent to put the acreage to another use will be used to determine the amount of production to count); or

(B) If you elect to continue to care for the crop, the amount of production to count for the acreage will be the harvested production, or our reappraisal if additional damage occurs and the crop is not harvested; and

(2) All harvested production from the insurable acreage.

(e) Mature wheat production may be adjusted for excess moisture and quality deficiencies. If moisture adjustment is applicable, it will be made prior to any adjustment for quality.

(1) Production will be reduced by .12 percent for each .1 percentage point of moisture in excess of 13.5 percent. We may obtain samples of the production to determine the moisture content.

(2) Production will be eligible for quality adjustment if:

(i) Deficiencies in quality, in accordance with the Official United States Standards for Grain including the definition of terms used in section 11(d), result in wheat, except Khorasan not meeting the grade requirements for U.S. No. 4 (grades U.S. No. 5 or worse) because of test weight, total damaged kernels (heat-damaged kernels will not be considered to be damaged), shrunken or broken kernels, defects (foreign material and heat damage will not be considered to be defects), a musty, sour, or commercially objectionable foreign odor (except smut odor) or grading garlicky, light smutty, smutty or ergoty;

(ii) Quality factors for Khorasan fall below the levels contained in the Official United States Standards for Grain that cause durum wheat to grade less than U.S. No. 4. For example,

if durum wheat grades less than U.S. No. 4 when its test weight falls below 54.0 pounds per bushel, Khorasan would be eligible for quality adjustment if its test weight falls below 54.0 pounds per bushel. The same quality factors considered for quality adjustment of durum wheat will be applicable and determination of deficiencies will be made in accordance with the Federal Grain Inspection Service directive that establishes procedures for quality factor analysis of Khorasan seed. Quality adjustment discount factors for U.S. grades specified in the Special Provisions will also apply to Khorasan at the same levels applicable to durum wheat;

(iii) Substances or conditions are present, including mycotoxins, that are identified by the Food and Drug Administration or other public health organizations of the United States as being injurious to human or animal health.

(3) Quality will be a factor in determining your loss only if:

(i) The deficiencies, substances, or conditions resulted from a cause of loss against which insurance is provided under these crop provisions;

(ii) All determinations of these deficiencies, substances, or conditions are made using samples of the production obtained by us or by a disinterested third party approved by us;

(iii) With regard to deficiencies in quality (except test weight, which may be determined by our loss adjuster), the samples are analyzed by:

(A) A grain grader licensed under the United States Grain Standards Act or the United States Warehouse Act;

(B) A grain grader licensed under State law and employed by a warehouse operator who has a commodity storage agreement with the Commodity Credit Corporation; or

(C) A grain grader not licensed under State Law, but who is employed by a warehouse operator who has a commodity storage agreement with the Commodity Credit Corporation and is in compliance with State law regarding warehouses; and

(iv) With regard to substances or conditions injurious to human or animal health, the samples are analyzed by a laboratory approved by us.

(4) Wheat Production that is eligible for quality adjustment, as specified in sections 11(e)(2) and (3), will be reduced by the quality adjustment factor contained in the Special Provisions.

(f) Any production harvested from plants growing in the

insured crop may be counted as production of the insured crop on a weight basis.

## **12. Late Planting**

A late planting period is applicable to wheat, except to any wheat acreage covered under the terms of the Winter Coverage Endorsement. Wheat covered under the terms of the Winter Coverage Endorsement must be planted on or prior to the applicable final planting date specified in the Special Provisions. In counties having one fall final planting date for acreage covered under the Winter Coverage Endorsement and another fall final planting date for acreage not covered under the endorsement, the fall late planting period will begin after the final planting date for acreage not covered under the endorsement.

## **13. Prevented Planting**

- (a) In addition to the provisions contained in section 18 of the Basic Provisions, in counties for which the Special Provisions designate a spring final planting date, your prevented planting Final Guarantee will be based on your approved yield for spring-planted acreage of the insured crop.
- (b) Your prevented planting coverage will be 60 percent of your Final Guarantee for timely planted acreage. You may increase your preventing planting coverage to a level specified in the actuarial documents by paying an additional premium.